

c. In both wholesale and retail markets for long distance services, GTE is a customer. GTE is a purchaser of wholesale long distance services from the facilities-based national and international long distance carriers, particularly WorldCom, for resale to residential and small business retail customers. GTE will be harmed by any increase in the price of such wholesale long distance services both as a customer and as a reseller that relies on those services to compete in retail markets. As a business customer in its own right, GTE purchases large amounts of retail long distance services from the national and international facilities-based carriers. Any substantial lessening of competition in the retail long distance market for large business customers would harm GTE in its capacity as a consumer of such services.

d. Finally, as a customer for private line and switched international calling services, GTE will be directly harmed by any reduction in competition and ensuing price increase in the relevant international calling markets.

45. The injury GTE would suffer as a result of the combination of MCI and WorldCom will stem from the transaction's violation of Section 7 of the Clayton Act. In the absence of the proposed merger, neither WorldCom nor MCI would have the incentive or ability to exercise market power as described above.

46. In each of the relevant markets described herein, the harm to GTE and others will be immediate, severe and irreparable.

## **COUNT ONE**

### **Clayton Act § 7 Violation – The National Market For Internet Backbone Service**

47. GTE hereby incorporates by reference and repeats and realleges the allegations contained in paragraphs 1-46 above.

48. The pending merger of MCI and WorldCom will likely have the effect of substantially lessening competition or tending to create a monopoly in the national market for Internet backbone service in violation of section 7 of the Clayton Act.

## **COUNT TWO**

### **Clayton Act § 7 Violation – Markets For Facilities Needed to Extend the Reach of Internet Backbones**

49. GTE hereby incorporates by reference and repeats and realleges the allegations contained in paragraphs 1-48 above.

50. The pending merger of WorldCom and MCI will likely have the effect of substantially lessening competition or tending to create a monopoly in markets for facilities needed to extend the reach of Internet backbone networks in violation of section 7 of the Clayton Act.

## **COUNT THREE**

### **Clayton Act § 7 Violation – The Market for Wholesale Long Distance Services**

51. GTE hereby incorporates by reference and repeats and realleges the allegations contained in paragraphs 1-50 above.

52. The pending merger of MCI and WorldCom will likely have the effect of substantially lessening competition or tending to create a monopoly in the wholesale market for long distance services in the U.S. in violation of section 7 of the Clayton Act.

#### **COUNT FOUR**

##### **Clayton Act § 7 Violation – Markets for Retail Long Distance Services**

53. GTE hereby incorporates by reference and repeats and realleges the allegations contained in paragraphs 1-52 above.

54. The pending merger of MCI and WorldCom will likely have the effect of substantially lessening competition or tending to create a monopoly in retail markets for the sale of long distance services to residential and small business customers and to large business customers in the U.S. in violation of section 7 of the Clayton Act.

#### **COUNT FIVE**

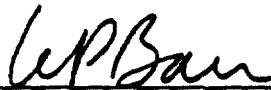
##### **Clayton Act § 7 Violation – Markets for International Calling Services**

55. GTE hereby incorporates by reference and repeats and realleges the allegations contained in paragraphs 1-54 above.

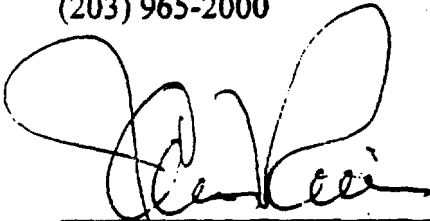
56. The pending merger of MCI and WorldCom will likely have the effect of substantially lessening competition or tending to create a monopoly in numerous markets for private line and switched international calling services in violation of section 7 of the Clayton Act.

## RELIEF REQUESTED

WHEREFORE, plaintiff GTE prays for the following relief: (1) A declaration that the proposed merger of MCI and WorldCom is unlawful and prohibited under section 7 of the Clayton Act, 15 U.S.C. § 18; (2) an order permanently enjoining the merger of MCI and WorldCom; (3) in the event that it becomes necessary to stop the consummation of the merger before the trial of this case, a preliminary injunction enjoining the merger; (4) costs and attorney's fees; and (5) any other relief that this Court may deem just and reasonable.

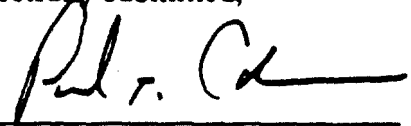


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